

Why Your FOB India Quote and Your Final Freight Bill Don't Match

Yash Khatri

Founder, SourcingFrom

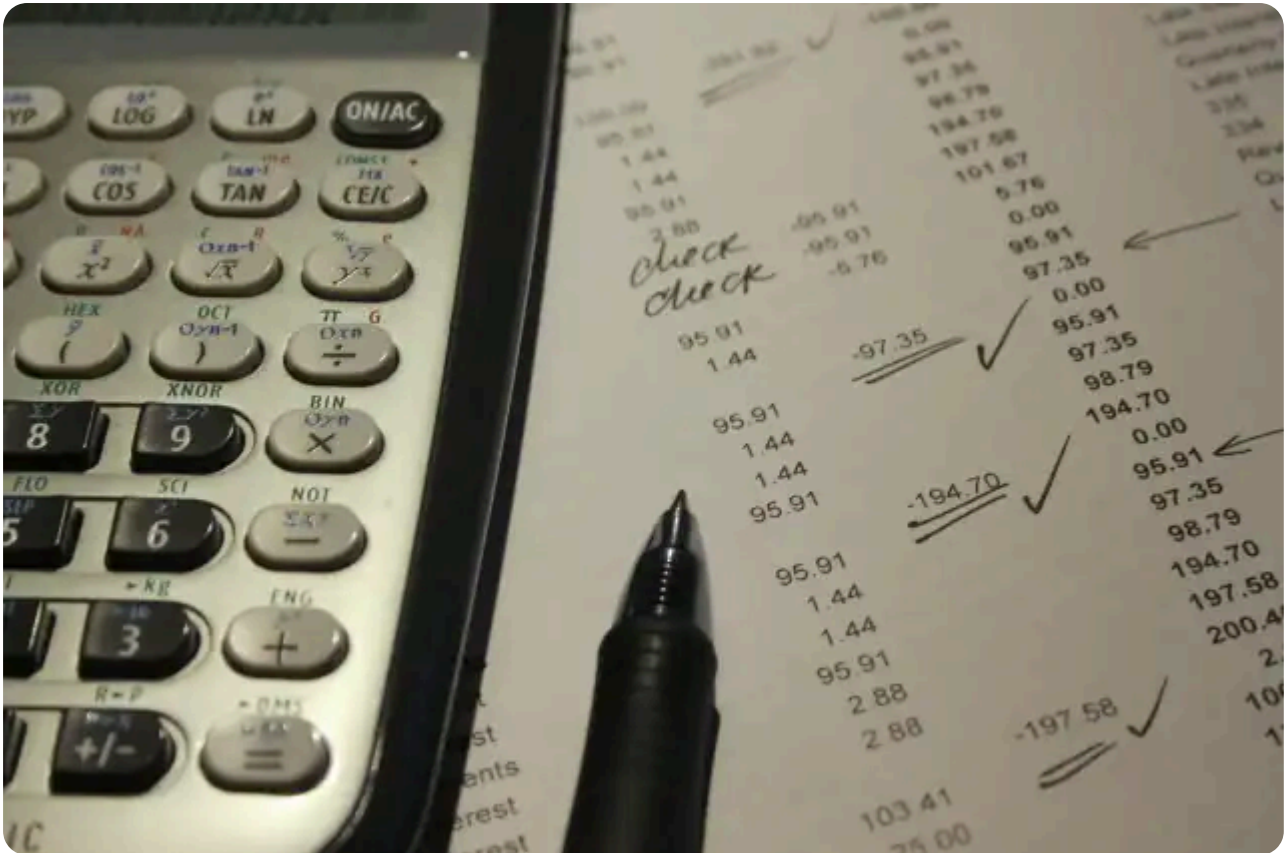
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An FOB India quote fixes the supplier's price, not your freight bill. Indian port charges are billed on line tariffs to the booking party, LCL destination charges are often set after sailing, and consolidation, inland trucking and surcharges add more. The post lists each charge line, who bills it and what to put in writing before booking.

Key takeaways

- Under FOB, Indian terminal handling is billed to whoever booked the ship, usually your forwarder, so put in the PO that the seller pays it.
- LCL destination charges are often set by the destination agent after the cargo sails, so get that tariff in writing first.
- Buying from several suppliers into one box can mean a shipping bill and handling charges per supplier.
- LCL from an inland depot is often trucked to Nhava Sheva or Mundra, and someone pays for the truck.
- Charges not written down are rarely recovered afterwards.

Because "FOB India" fixes the supplier's price, not your freight bill. Indian port charges are billed on the shipping line's tariff to whoever booked the ship, which under FOB is your forwarder, and LCL destination charges are often set by the destination agent after the cargo has sailed. Add consolidation, inland trucking and mid-voyage surcharges, and the invoice drifts away from the quote.



This is one of the most repeated complaints in the forum threads we log, and it's rarely anyone being crooked. It's the way the bill travels. Below is each charge line that tends to appear, when it appears, who bills it, and the one sentence to put in writing before you book. I'm deliberately not giving amounts. They change by port, line and month, and nobody publishes a rate sheet we could stand behind.

SourcingFrom Intelligence

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- 01 FOB doesn't cap origin costs in practice.** A procurement lead says origin charges have added "15-20% to a landed cost that was quoted 'FOB'", and an Indian exporter explains that terminal handling and document fees are billed on line tariffs to the booking party. ([LinkedIn, Aug 2026](#), [LinkedIn, May 2026](#))
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02 **Three forwarders, two of them Indian, admit LCL destination charges often come in higher than discussed.** ([LinkedIn, Feb 2026](#), [LinkedIn, Jul 2026](#))

03 **Carriers add surcharges mid-season.** One carrier announced an LCL emergency surcharge from the Indian subcontinent to Europe in September 2026. ([Carrier market update, 9 Sep 2026](#) · *Verified that it was announced*)

What we don't know yet

- The measured gap between Indian forwarder quotes and final invoices. We plan to test it with real quotes and publish the result.

What Does FOB Actually Cover?

Under FOB the supplier delivers the goods on board the ship at the named Indian port, and carries the cost and risk until then (FOB). Freight, insurance and everything at your end are yours. On paper, loading costs at the Indian port belong to the seller.

The trouble is who gets the invoice. Indian terminal handling and related port charges are set on the shipping line's local tariff and billed to the booking party. Under FOB, you book the ship through your forwarder. So those charges land on your forwarder's bill, and then on yours, even though the term says the seller pays to load. An Indian exporter calls this "the FOB trap" ([LinkedIn, May 2026](#)). That's the first gap.



Which Charges Show Up, and Who Bills Them?

Here's the bill in the order it builds up. The "who bills" column is who usually sends the invoice, not who should carry the cost under your term. That second question is the one you fix in writing.

Stage	Charge lines that appear	Usually billed by	When you find out
At the Indian port	Terminal handling, bill of lading fee, seal, VGM, documentation	Line's agent, through your forwarder	After booking
Inland, for LCL	Trucking from an inland depot to the port, freight station handling	Forwarder or co-loader	Often after pickup
Several suppliers in one box	A shipping bill and gate and handling charges per supplier	Each supplier's agent, or your forwarder	When the consolidation closes
At sea	Fuel, emergency, war-risk or peak season surcharges	Carrier, through your forwarder	Sometimes after sailing
After a roll or diversion	Storage, demurrage at the Indian port	Terminal and line	After the event
At your port, for LCL	Destination handling, delivery order, unpacking	Destination agent	Often on arrival

Sources for the pattern: forum and LinkedIn practitioner posts logged in our research (FS-SHP-054, 056, 058, 059, 044) and the carrier update cited above. Indicative.

Two rows surprise people most. The multi-supplier row, because "every supplier files a separate shipping bill and you pay separate gate/handling charges" ([r/supplychainIndia, 2026](#)), so buying from Jaipur and Moradabad into one box isn't one set of charges. And the inland row, because LCL from an inland depot often can't be consolidated there. An Indian forwarder's blunt version: "for LCL jaipur icd dont stuff a console box" ([r/exportersindia, 2026](#)). The cargo gets trucked to Nhava Sheva or Mundra, and somebody pays for the truck.

Why Is LCL Worse Than FCL?

Two reasons. A small shipment carries a stack of fixed charges whatever its size. An Indian exporter counted about ten of them on a small LCL ([r/exportersindia, 2026](#)), so on one or two cubic metres they can outweigh the ocean freight.



And LCL destination charges are set by the destination agent, who may not be the party that quoted you. Forwarders say themselves that "many importers receive an attractive LCL freight quote, only to find that the destination agent collects substantial local charges" ([LinkedIn, Indian forwarder, Jul 2026](#)). The same voices say it happens far less with full containers on the main lines. If you're near the line between the two, LCL vs FCL sets out where it falls.

What Should I Fix in Writing Before Booking?

Five sentences, and they cover most of it.

1. **In the purchase order:** "Seller pays all charges up to and including loading on board at [named port], including terminal handling and export documentation." Name the port, not "India".
2. **From your forwarder:** the full origin charge list for that port and that line, in writing, before you accept the supplier's FOB price.
3. **From the destination agent, not just the forwarder:** the destination tariff in writing before the cargo sails. This one question kills most LCL surprises.
4. **For several suppliers:** who files each shipping bill, and whether gate and handling are charged per supplier.
5. **For surcharges:** which surcharges are included, and whether new ones announced after booking will be passed on.

None of this needs a big negotiation. It needs asking early, when you still have the choice of another forwarder. Comparing quotes line by line is covered in [choosing a freight forwarder](#).

Can I Get Charges Back After the Fact?

Sometimes, if the line was clearly the seller's under your PO wording, and rarely if it wasn't written down. Surcharges for diversions are the hardest. When Gulf routes shut in March 2026, cargo owners whose boxes were dropped at Nhava Sheva were billed storage and war-risk charges before any reroute was offered, according to buyers and an exporter posting at the time (logged in our research, FS-SHP-044). Your term decides who carries that, so read it before the next crisis, not during it.

If you'd rather have someone check each freight invoice against its quote and chase the difference, that's execution, and SourcingSync does it for buyers importing from India.

FAQ

Who pays terminal handling charges on FOB India shipments? ^

The seller should, because loading on board is the seller's job. In practice the line bills them to the booking party, your forwarder, so write in the PO that the seller carries them.

Why were my LCL destination charges higher than quoted? v

Is CIF safer than FOB from India? v

How much do origin charges add? v